

CONSTITUENT WORK WEEK KIT

JUNE 27– JULY 5, 2011



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June 23, 2011

Dear Fellow House Republican,

By any historic standard, our economy should be moving again and more Americans should be back to work. Yet it seems like every day the American people are presented with more bad news about what has been the weakest economic recovery in the post-World War II era.

The “recovery summer” that President Obama and Democrat leaders promised us last year didn’t happen then and it’s certainly not happening now. Instead, Americans can look back at more than two years of this administration’s job-destroying policies and see that President Obama did not reverse our economic crisis—he made it worse.

The American people are craving real leadership in Washington that will restore certainty to our economy and pave the way for real job creation. That is why jobs have been job number one since Speaker Boehner took the gavel. Our Conference is focused on providing job creators with an environment of certainty in which to create jobs. The House GOP Plan for Job Creators aims to put the nation on a fiscally sustainable path to reduce our record-high debt; making our tax code fairer, flatter, and more competitive; increasing the development of American-made energy; and removing the burden of regulation off our job creators’ backs so that Americans can go back to work.

The last two weeks were a very busy time for House Republicans as we continued to fight hard for job seekers and job creators throughout our nation. The Democrats will of course continue to demagogue and distort our efforts, but that’s only because they don’t have a plan of their own. We do. The materials in this kit and the online resources aim to provide you with all the resources you need to inform and remind your constituents that we are hard at work spurring job creation, reviving our economy, and preserving the American dream for our children and grandchildren.

Yours respectfully,

Jeb

THE HOUSE REPUBLICAN PLAN FOR AMERICA'S JOB CREATORS

Empowering Families, Small Businesses and Entrepreneurs

EMPOWER SMALL BUSINESS OWNERS AND REDUCE REGULATORY BURDENS:

- Require congressional review and approval of any government regulations that have a significant impact on the economy or burden small businesses.
- Audit existing and pending regulations to identify and address those that hinder economic growth.

FIX THE TAX CODE TO HELP JOB CREATORS:

- Increase American competitiveness to spur investment and create more American jobs by streamlining the tax code and lowering the tax rate for businesses and individuals including small business owners to no more than 25%.
- Reform the tax code to allow American businesses to bring back their overseas profits without having to pay a tax penalty so they can invest in our economy and create American jobs.

INCREASE COMPETITIVENESS FOR AMERICAN MANUFACTURERS:

- Pass the three pending free trade agreements with Colombia, Panama, and South Korea to create up to 250,000 jobs.
- Continue to open new markets to American made products.

ENCOURAGE ENTREPRENEURSHIP AND GROWTH:

- Modernize our patent system to protect our nation's innovators, discourage frivolous lawsuits, and expedite patent reviews.
- Re-Authorize and improve federal programs and approval processes to streamline development of new products.
- Remove barriers to building a first class workforce so that the United States can compete in the global marketplace and lead the way in technological development and growth.

MAXIMIZE DOMESTIC ENERGY PRODUCTION TO ENSURE AN ENERGY POLICY FOR THE 21ST CENTURY:

- Promote lower energy prices through increased domestic production.
- Encourage all forms of energy production.

PAY DOWN AMERICA'S UNSUSTAINABLE DEBT BURDEN AND START LIVING WITHIN OUR MEANS:

- Build upon the House Republicans' Budget by enacting significant spending cuts.

JOBS & THE ECONOMY

Are the President's Policies Leading To A Double-Dip Recession?



- **Jobless Claims Continue to Rise:** The Labor Department reported on Thursday, June 23, that initial claims for unemployment benefits increased by 9,000 in one week to 429,000. It is the second increase in three weeks and the 11th straight week that applications have been above 400,000.

- **Small Business Optimism Reaches 8-Month Low:** According to the National Federation of Independent Business' (NFIB) June 2011 Small Business Economic Trends report, optimism among small business owners that the economic outlook will improve in the short term fell to its lowest level since September 2010 and has declined for three straight months.

- **Entrepreneurship is at a 17-Year Low:** According to Bureau of Labor Statistics data, the number of new business start-ups has fallen to the lost level since the data was first recorded in 1994. Since 2007, there has been a 23% drop in new business creation.



- **Federal Reserve Downgrades Economic Growth Projections:** Following a string of disappointing economic indicators, the Federal Reserve Board yesterday downgraded its projections for near-term GDP growth, lowering its average growth estimate for 2012 by 10 percent below its prediction from just two months ago. In addition, the Board now says average unemployment and inflation will be significantly higher next year than they projected in April.

- **Double-Dip in Housing Prices:** According to the Standard and Poor's/Case-Shiller Home Price Indices, housing prices have fallen every month since June 2010 and have dipped below the previous recession low reported in April 2009. According to S&P, home prices have fallen by 33 percent since their peak in July 2006 and are at their lowest level since March 2003.

- **Only 5 Percent of Small Firms Believe They Can Expand Now:** According to the NFIB, only 5% of surveyed small business owners view the current period as a good time to expand; of those who view it as a bad time to expand, 71% of those blame the weak economy, and 14% cite political uncertainty.

- **Unemployed Are Out of Work for Longer Than Any Time in History:** According to the Bureau of Labor Statistics, the average job seeker has been unemployed for 39.7 weeks, the longest average time that Americans have been unemployed since the statistic was first recorded in 1948.

- **High Unemployment for the Longest Span Since the Great Depression:** The number of consecutive months that unemployment has been at or above 8 percent—the level the President said unemployment would never reach if the stimulus passed. Unemployment has not stayed above 8 percent for so many consecutive months since the Great Depression.



- **IMF Says the U.S. is "Playing with Fire":** Last week the International Monetary Fund (IMF) cut its forecast for U.S. economic growth and warned Washington and debt-ridden European countries that they are 'playing with fire' unless they take immediate steps to reduce their budget deficits.



- **Misery Index at 28-Year High:** the unofficial Misery Index that simply totals the unemployment and inflation rates, is at a 28-year high, reflective of how weak the economic recovery has been.

SPENDING, JOBS & THE ECONOMY

CBO's Long-Term Fiscal Outlook: Runaway Debt Destroys Jobs

KEY TAKEAWAYS

- **Our Job-Killing Debt Will Eclipse the Economy This Year:** According to CBO, total debt will overtake the size of the entire US economy this year, and debt held by the public (as opposed to the overall national debt which includes inter-governmental holdings) will eclipse the economy in ten years.
- **Job-Destroying Public Debt Will Grow 83 Percent Under President Obama:** According to CBO, the debt held by public was 40.3 percent of GDP in 2008, the year before President Obama took office. According to CBO, public debt will reach 74 percent of GDP in 2012—a real debt increase of 83.6 percent in four years under President Obama.
- **Our Debt Will Destroy More Jobs With Higher Interest Rates and Higher Taxes:** According to CBO, “Higher levels of debt imply higher interest payments on that debt, which would eventually require either higher taxes or a reduction in government benefits and services.”
- **Our Debt Keeps Us From Creating Jobs and Makes the Jobs Crisis Worse:** According to CBO, “Growing debt also would increase the probability of a sudden fiscal crisis, during which investors would lose confidence in the government’s ability to manage its budget and the government would thereby lose its ability to borrow at affordable rates. Such a crisis would confront policymakers with extremely difficult choices.”
- **Unemployment Projected to Remain High:** According to CBO, the unemployment rate is expected to remain high for the immediate future, averaging 9.4 percent in 2011, 8.4 percent in 2012 and 7.6 percent in 2013.
- **Washington Must Not Wait to Cut Spending and Lower Deficits.** According to CBO, “the sooner that long term changes to spending and revenues are agreed on, and the sooner they are carried out once the economic weakness ends, the smaller will be the damage to the economy from growing federal debt.”
- **Government Health Care Spending Will Double Over the Next 24 Years:** According to CBO, real government spending on mandatory health care as a percentage of GDP will nearly double, from 5.6 percent in 2011 to 10.4 percent of GDP by 2035. Because health care cost increases cannot be contained, health care spending will help drive our job-crushing debt from 70 percent of GDP today to 187 percent of GDP in 2035.
- **Interest Payments on Borrowed Money Will Increase Exponentially:** According to CBO, interest payments on the debt will increase from 1.4 percent of GDP in 2011 to 8.9 percent of GDP by 2035—an increase of 536 percent.
- **Our Debt Has Put Us on the Same Path As Greece:** CBO says our uncontrolled debt has increased the chances of a fiscal crisis in which investors would be unwilling to loan more money to the government. According to CBO, in the face of such a crisis, “the government would need to undertake some combination of three actions: restructuring its debt (that is, seeking to modify the contractual terms of its existing obligations); pursuing inflationary monetary policy (that is, increasing the supply of money); and adopting an austerity program of spending cuts and tax increases.”

Source: Congressional Budget Office's 2011 Long-Term Budget Outlook, June 22, 2011.

REGULATIONS

Regulation Nation: Destroying Jobs, One Rule at a Time

“[T]oday I am directing federal agencies to do more to account for—and reduce—the burdens regulations may place on small businesses. Small firms drive growth and create most new jobs in this country. We need to make sure nothing stands in their way.”

—President Obama, Wall Street Journal op-ed, January 18, 2011

Another disconnect between the stated intent of the President and the actions of his administration. This from a May 2011 study by National Economic Research Associates that evaluated the impacts of EPA’s Clean Air Transport Rule (CATR) and Utility Maximum Achievable Control Technology (MACT) proposals:

FEWER JOBS

- “Net employment in the U.S. would be reduced by more than 1.4 million job-years over the 2013-2020 period, with sector losses outnumbering sector gains by more than 4 to 1.”

MORE EXPENSIVE ENERGY

- “Average U.S. retail electricity prices in 2016 would increase by about 12%, with regional increases as much as about 24%.”

WHAT ARE HOUSE REPUBLICANS DOING?

In order to ease the regulatory burden on the economy and to promote job creation, we will approve legislation that requires a congressional review and approval of any proposed federal government regulation that will have a significant impact on the economy.

While such legislation will impact future regulations, House Committees are actively conducting an audit of existing and pending regulations to identify and address those that are hindering economic growth.

Additionally, the House passed H.Res. 72 on February 11, 2011, a resolution that would direct ten standing committees to inventory and review existing, pending, and proposed government regulations by agencies within their jurisdiction. While conducting the inventory and review, each committee is required to identify each regulation’s effect on jobs and economic growth.

UNEMPLOYMENT BY THE NUMBERS

Updated June 23, 2011

After more than 29 months of this Administration's destructive jobs policies and the constant threat of higher taxes and record deficits, a simple look at our current unemployment data shows that the President's policies are failing.

- **9.1%:** The unemployment rate for the month of May. Since March 2009 (the month after the stimulus passed) through May 2011, unemployment has averaged 9.4 percent. Prior to President Obama taking office, unemployment had not been above 9 percent in 28 years.
- **28:** The number of consecutive months that unemployment has been at or above 8 percent—the level the President said unemployment would never reach if the stimulus passed. Unemployment has not stayed above 8 percent for so many consecutive months since the Great Depression.
- **13,914,000:** The number of unemployed Americans looking for work in the month of May. The number of unemployed eclipsed 13 million for the first time in history two months after President Obama took office and has remained above 13 million for 27 straight months.
- **44,587,328:** The number of Americans receiving food stamps, the highest number of participants in history. Today 14 percent of Americans receive food stamps, an increase of 40 percent since President Obama took office.
- **39.7:** The average number of weeks that job seekers have been unemployed—the longest average time that Americans have been unemployed since the statistic was first recorded in 1948.
- **19.1%:** The rate of underemployment in mid-May according to Gallup's monthly employment survey. This accounts for the unemployed, those unable to find full-time work and those discouraged from looking for work.
- **8,548,000:** The number of Americans who are working only part-time because they cannot find full time employment. The number of people working part time for economic reasons reached 8 million for the first time in history under President Obama and has remained above 8 million for 28 consecutive months.
- **6,200,000:** The number of Americans unemployed and searching for work for more than 27 weeks. Since President Obama took office, the number of people unemployed for more than 27 weeks has increased by 131 percent.
- **1,231,000:** The number of job seekers that are new to the workforce and have yet to find a job. The number of new workers who cannot find a job has been above 1 million for 22 straight months.
- **24.2%:** The unemployment rate among job seekers between the ages of 16 and 19. Youth unemployment has been above 24 percent for 24 months, the longest streak since the Great Depression.

- **16.2%:** The unemployment rate among African Americans, an increase of 27 percent since President Obama took office.
- **11.9%:** The unemployment rate among Hispanics and Latinos, an increase of 20 percent since President Obama took office.
- **14.7%:** The unemployment rate among Americans without high school diplomas, an increase of 19 percent since President Obama took office.
- **6.8%:** The level at which the Obama administration claimed unemployment would be today if the “stimulus” was signed into law.
- **1,908,000:** The number of net jobs the economy has shed since the Democrats’ “stimulus” was signed into law in February 2009.
- **\$1,168,000,000,000:** The total cost of the Democrats’ “stimulus.” CBO estimates the cost of the bill will reach \$821 billion and interest on the debt for the bill will be at least \$347 billion.
- **Entrepreneurship is at a 17-Year Low:** Since 2007, there has been a 23% drop in new business creation - falling to the lowest levels seen since 1994.

WHAT THEY ARE SAYING

Facts & Quotes on Jobs & the Economy

THE FACTS

- Fact: Unemployment is at 9.1 percent. It's now been above 8 percent for 28 straight months—the longest stretch since the Great Depression.
- Fact: Job seekers are now spending nearly 40 weeks on average to find a job – the longest average time that Americans have been unemployed since the statistic was first recorded in 1948.
- Fact: The top three credit ratings agencies have issued warnings about our debt being so high.
- Fact: A recent report found that entrepreneurship is at a 17-year low.

WHAT ARE THE DEMOCRATS SAYING ABOUT THE FAILING ECONOMY AND LACK OF JOB CREATION?

- “Shovel-ready was not as shovel ready as we expected.” – President Barack Obama (6/13)
- “We’ve finally turned – we’ve finally started adding jobs. We’re finally seeing promise in a lot of industries to come out of a deep hole.” – Chairman of President Obama’s Council of Economic Advisers, Austan Goolsbee (5/19)
- “We own the economy. We own the beginning of the turnaround and we want to make sure that we continue that pace of recovery...” – DNC Chairwoman Rep. Debbie Wasserman Schultz (D-FL) (6/15)
- “We were able to, under President Obama’s leadership, turn this economy around.” – DNC Chairwoman Debbie Wasserman Schultz (D-FL) (6/12)
- “I believe this economy of ours is better than the perception right now.” – White House Chief of Staff Bill Daley (6/15)
- “There has been much that has been accomplished in the first 2 1/2 years, and as the President said the other night, the work is not done. There are more things we want to do.” – White House Communications Director Dan Pfeiffer (6/17)
- “There’s no need to have a Democratic budget in my opinion. It would be foolish for us to do a budget at this stage.” – Senate Majority Leader Harry Reid (D-NV) (5/20)
- “We cannot solve a very substantial fiscal problem without bringing revenues up. We expect revenues to be a part of any solution – Vice President Biden has made that very clear, the President’s made it clear – and so our expectation is they will be part of any solution.” – House Minority Whip Steny Hoyer (D-MD) (6/14)

BIDEN DEBT LIMIT NEGOTIATIONS

WE ARE IN A DEBT CRISIS BECAUSE WASHINGTON SPENDS TOO MUCH, NOT TAXES TOO LITTLE

- House Republicans, led by Majority Leader Eric Cantor, have negotiated in good faith with Vice President Biden in meetings to identify spending cuts that exceed the amount of the Obama administration's request for a debt limit increase.
- The Democrats insist that any deal must include tax increases, which are not supported by the American people and will not receive support in the House.
- This week, Senate Democrats called for **even more government spending** as a part of the negotiations to follow up on their failed trillion-dollar stimulus.
- No nation can spend, tax, borrow, or bail-out its way to prosperity and job creation. To create jobs and save our country from national bankruptcy, **we must stop spending money we don't have**.
- Before debt limit negotiations can continue, the tax issue must be resolved so that we can move forward on a blueprint to implement trillions of dollars worth of spending cuts and major reforms to change the way Washington spends the American people's money.

IF THE PRESIDENT AND WASHINGTON DEMOCRATS WANT US TO PAY THEIR BILLS, THEY ARE GOING TO HAVE TO CUT UP THE CREDIT CARDS.

- Over the past two years, President Obama and congressional Democrats have overseen the largest budget deficits in the history of the U.S. They've maxed out our nation's credit cards and are asking us to increase their credit limit without making any real commitments to stopping this dangerous level of spending without raising taxes.
- If the president and Washington Democrats want us to pay their bills, they are going to have to cut up the credit cards. That is why Speaker Boehner has called for any debt limit increase to be paired with a greater amount of spending cuts – without tax hikes.
- Tax hikes are not the answer to our spending problem. In order to balance the budget by only raising taxes, it would require a 60 percent across-the-board tax increase over the next ten years or, over the long run, "tax rates would have to more than double" according to CBO.
- We cannot afford to accommodate the Democrats' spending agenda with another increase in the debt limit and more tax hikes.

UPCOMING SUMMER FLOOR AGENDA

Courtesy of the Majority Leader

Implementing the House Republican Plan for America's Job Creators

EMPOWER SMALL BUSINESS OWNERS BY REDUCING REGULATORY BURDENS:

- H.R. 2018, the Clean Water Cooperative Federalism Act of 2011 (week of July 25 *)
- H.R. 10, Regulations from the Executive In Need of Scrutiny (REINS) Act (week of August 1 *)

INCREASE COMPETITIVENESS FOR AMERICAN MANUFACTURERS:

- Colombia Free Trade Agreement
- Panama Free Trade Agreement
- South Korea Free Trade Agreement

MAXIMIZE DOMESTIC ENERGY PRODUCTION TO ENSURE AN ENERGY POLICY FOR THE 21ST CENTURY:

- Possible consideration of H.R. 1938, the North American-Made Energy Security Act

PAY DOWN AMERICA'S UNSUSTAINABLE DEBT BURDEN AND START LIVING WITHIN OUR MEANS:

- H.J.Res. 1, Proposing a balanced budget amendment to the Constitution of the United States (week of July 25 *)
- H.R. 1309, the Flood Insurance Reform Act of 2011 (program expires September 30)
- Legislation related to H.R. 658, the FAA Air Transportation Modernization and Safety Improvement Act (extension expires on July 22)
- Fiscal Year 2012 Appropriations Bills (over \$30 billion in combined cuts from current spending levels)
 - Defense (week of July 4 *)
 - Energy and Water (week of July 4 *)
 - Financial Services (week of July 11 *)
 - Interior (week of July 25 *)
 - Commerce, Justice, Science (week of August 1 *)
 - Legislative Branch (week of August 1 *)

**Floor timing is estimated and therefore subject to change.*

MESSAGING DATES DURING THE WORK WEEK

MONDAY, JUNE 27

- Conference will release the weekly TriFacta – stay tuned for items you can use in your week’s messaging efforts.

TUESDAY, JUNE 28

- 10:00 AM (ET) Monthly Consumer Confidence Report

THURSDAY, JUNE 30

- Committee Activity Reports due – will include results of efforts in 10 committees to inventory and conduct oversight over the Administrations job-destroying regulations.

FRIDAY, JULY 1

- One-year anniversary of the first tax from the government takeover of health care: The “Tanning Tax” went into effect.

For more information on the bills considered by the House during this two-week session, and additional resources and materials, please visit www.gop.gov/workweek or contact the Conference at (202) 225-5107.